

EVENT VIOLATION INSPECTOR'S STATEMENT

Company/Mine: Hidden Splendor Resources, Horizon Mine
Permit #: C/007/0020

NOV # 17150
Violation # 1 of 1

A. SERIOUSNESS

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of event below and remember that **the event is NOT the same as the violation**. Mark and explain each event.

- | | | |
|-------------------------------------|----|--|
| <input type="checkbox"/> | a. | Activity outside the approved permit area. |
| <input type="checkbox"/> | b. | Injury to the public (public safety). |
| <input type="checkbox"/> | c. | Damage to property. |
| <input type="checkbox"/> | d. | Conducting activities without appropriate approvals. |
| <input checked="" type="checkbox"/> | e. | Environmental harm. |
| <input checked="" type="checkbox"/> | f. | Water pollution. |
| <input type="checkbox"/> | g. | Loss of reclamation/revegetation potential. |
| <input type="checkbox"/> | h. | Reduced establishment, diverse and effective vegetative cover. |
| <input type="checkbox"/> | i. | No event occurred as a result of the violation. |
| <input type="checkbox"/> | j. | Other. |

Explanation: The Permittee failed to maintain a number of culverts, resulting in the structures not performing as originally designed and approved. If the structures are not improved and maintained back to their original design, damage to nearby streams, drainages, and the permit area in general could occur.

2. Has the even occurred? No

If yes, describe it. If no, what would cause it to occur and what is the probability of the event(s) occurring? (None, Unlikely, Likely).

Explanation: It is likely that water pollution and damage to nearby streams and drainages could occur if the drainage structures are not corrected.

3. Did any damage occur as a result of the violation? No

If yes, describe the duration and extent of the damage or impact. How much damage may have occurred if the violation had not bee discovered by a DOGM inspector? Describe this potential damage and whether or not it would extend off the disturbed and/or permit area.

Explanation: During large storm events, there is potential for disturbed drainage to leave the permit area without being treated as designed.

B. DEGREE OF FAULT (Check the statements which apply to the violation and discuss).

- ☐ Was the violation not the fault of the operator (due to vandalism or an act of God), explain. Remember that the permittee is considered responsible for the actions of all persons working on the mine site.

Explanation: _____

- ☐ Was the violation the result of not knowing about DOGM regulations, indifference to DOGM regulations or the result of lack of reasonable care.

Explanation: _____

- ☒ If the actual or potential environmental harm or harm to the public should have been evident to a careful operator, describe the situation and what, if anything, the operator did to correct it prior to being cited.

Explanation: The poor maintenance of the drainage structures within the permit area is very evident, and would be easily noticed if the Permittee had someone inspecting the facility. No information has been found indicating that the drainage structures were being regularly maintained or inspected by the Permittee.

- ☐ Was the operator in violation of a specific permit condition?

Explanation: _____

- ☒ Has DOGM or OSM cited the violation in the past? If so, give the dates and the type of warning or enforcement action taken.

Explanation: On 5/27/2014 the Division issued NOV 10140 for failure to maintain the inlet to the same culverts referenced in NOV 17150.

C. GOOD FAITH

Event Violation Inspector's Statement

NOV/CO # 17150
Violation # 1 of 1

1. In order to receive good faith for compliance with an NOV or CO, the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give date) and describe the measures the operator took to comply as rapidly as possible.

Explanation: The abatement deadline was April 27, 2015, the Permittee stated that the abatement work was completed on April 16, 2015. It was confirmed during a Division inspection on April 22, 2015 that the abatement work had been completed.

2. Explain whether or not the operator had the necessary resources on site to achieve compliance.

Explanation: _____

3. Was the submission of plans prior to physical activity required by this NOV / CO? No If yes, explain.

Explanation: _____

Amanda Daniels
Authorized Representative


Signature

May 19, 2015
Date